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July 7, 2006

TO: Members of the MAG Regional Council Executive Committee and
Members of the Building Lease Working Group

FROM: Mayor James M. Cavanaugh, City of Goodyear, Chair and
Mayor Keno Hawker, City of Mesa

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA FOR THE
JOINT MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE AND THE BUILDING
LEASE WORKING GROUP

Monday, July 17, 2006 - 11:15 a.m. Neighborhood Bus Tour
Meeting begins at 12:30 p.m.
MAG Office, Suite 200 - Cholla Room
302 North 1st Avenue, Phoenix

Please park in the garage under the Compass Bank Building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Denise McClafferty at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

A joint meeting of the MAG Regional Council Executive Committee and the Building Lease Working Group (BLWG) has been scheduled for the time and place noted above. Members of the Committee and the Working Group may attend the meeting either in person, by telephone conference, or by video conference. A bus tour of the Roosevelt Neighborhood is scheduled to begin at 11:30 a.m. returning to the MAG office at 12:30 p.m.

If you have any questions regarding the Executive Committee agenda items, please contact Mayor James Cavanaugh at (623) 882-7782. For the BLWG, please contact Mayor Keno Hawker at (480) 644-2388. For MAG staff, please contact Dennis Smith, MAG Executive Director, at (602) 254-6300.

TENTATIVE AGENDA

COMMITTEE ACTION REQUESTED

1. **Call to Order**

The meetings of the Executive Committee and the Building Lease Working Group (BLWG) will be called to order.

2. **Call to the Audience**

An opportunity will be provided to members of the public to address the Executive Committee and the Building Lease Working Group (BLWG) on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Members of the public will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Executive Committee or the BLWG requests an exception to this limit. Please note that those wishing to comment on action agenda items will be given an opportunity at the time the item is heard.

2. Information and discussion.

ITEMS PROPOSED TO BE HEARD BY THE EXECUTIVE COMMITTEE AND THE BUILDING LEASE WORKING GROUP

3. **Update on the Regional Office Building**

On June 12, 2006, the Executive Committee and BLWG approved entering into contracts for financial advisory and bond counsel services. In addition, the Committee authorized the Executive Director to sign a letter of indemnification with Kaye/Ryan for an amount not to exceed \$200,000 for pre-development costs, including preliminary architectural and interior design and structural engineering services for the Regional Office Building. A representative from Ryan Companies, Inc. will provide an update on the activities of the Regional Office Building to-date.

3. Information, discussion and possible action.

4. **Adjournment of the Building Lease Working Group**

ITEMS TO BE HEARD BY THE EXECUTIVE COMMITTEE

5. Approval of the June 12, 2006 Executive Committee Meeting Minutes

6. Desert Peaks Event

On June 28, 2006, the Desert Peaks Awards event was held at the Arizona Club to honor individuals and partnerships that have demonstrated a commitment to regionalism. Financial details and survey results of this year's event will be presented to the Executive Committee, as well as recommendations for future Desert Peaks events.

7. Transportation Construction Challenges and Potential Policy Issues

In March 2006, the Executive Committee met with the leadership of the other Arizona Councils of Governments to discuss growth challenges, including transportation issues. It was agreed upon by the group that a followup meeting would be held in August at the League of Arizona Cities and Towns Annual Conference in Tucson to further discuss how to address these issues. Since the meeting in Casa Grande, the Arizona Chamber of Commerce sponsored the Arizona's Transportation Acceleration Summit that explored accelerating the highway system on a statewide basis. To consider accelerating transportation needs, several construction challenges and policy issues need to be addressed. Please refer to the enclosed material.

8. River of Trade Corridor Coalition

On June 16, 2006, the Chairman of the River of Trade Corridor Coalition (ROTCC) from Dallas, Texas, met with MAG staff and the incoming MAG Chair to discuss the ROTCC's mission and history and invite the Maricopa Association of Governments to become a member of the ROTCC. The ROTCC was created in 2004 to unite cities, counties, businesses and other transportation stakeholders along heavily traveled freeways and highways. The "River of Trade" freeway starts at Interstate 10 in Los

5. Review and approve the June 12, 2006 Executive Committee meeting minutes.

6. Information, discussion and possible action on the format of future Desert Peaks events.

7. Information, discussion and possible action.

8. Information, discussion, and possible action.

Angeles and continues through Arizona and New Mexico before heading north at Dallas, Texas and ending in Ontario, Canada. The organization's goal is to examine ways to alleviate congestion while protecting and expanding the economic vitality of current roadways. Currently, the ROTCC includes more than 200 members spanning across nine states. This item is on the July 12, 2006 Management Committee agenda for possible action to recommend approval of participating in the River of Trade Corridor Coalition. An update will be provided to the Executive Committee. Please refer to the enclosed material.

9. Adjournment

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
JOINT MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE AND
BUILDING LEASE WORKING GROUP MEETING

June 12, 2006

MAG Offices

302 North 1st Avenue, Phoenix, Arizona

EXECUTIVE COMMITTEE MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair

Mayor Mary Manross, Scottsdale, Treasurer

* Mayor Phil Gordon, Phoenix

Mayor Joan Shafer, Surprise

Mayor James M. Cavanaugh, Goodyear

BUILDING LEASE WORKING GROUP MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair

Mayor James M. Cavanaugh, Goodyear

* Mayor Ron Clarke, Paradise Valley

Frank Fairbanks, Manager, City of Phoenix

PARTNERING AGENCIES ATTENDING

John McCormick, Valley Metro Rail

Don Sehorn, Arizona Municipal Water

Users Authority

Michael Taylor for David Boggs, Valley Metro

* Not present

Participated by videoconference or telephone conference call

1. Call to Order

The Executive Committee and Building Lease Working Group meeting was called to order by Mayor Manross at 12:05 p.m. Mayor Manross stated that transit tickets were available from Valley Metro for those using transit to come to the meeting. Parking validation was available from MAG staff for those who parked in the parking garage.

2. Call to the Audience

Mayor Manross noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. She stated that there is a three minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Mayor Manross stated that there were no public comment cards received.

3. Update on the Regional Governmental Service Center

Ms. McClafferty provided an update on the regional office building. She stated that at the last meeting on May 15, 2006, the Committee was provided preliminary information on the schematic layout of the building. The Executive Committee authorized the Executive Director to enter into contracts for legal and project management services. She noted that staff also reported on the meeting with the President of the Roosevelt Action Association (RAA), Andie Abkarian. At that meeting, Ms. Abkarian discussed what she thought would be potential issues/concerns of the neighborhood, such as the treatment of the 2nd Avenue frontage and cut-through traffic. On May 17th, the neighborhood association had their monthly meeting and Ms. Abkarian briefly discussed the project with the neighbors in attendance. It was reported that discussion of the proposed building went well and the RAA would like to see some schematic plans. Ms. McClafferty stated that it is anticipated that the RAA would be shown additional information on building concepts at a future neighborhood meeting.

Ms. McClafferty reported that following the May 15, 2006 meeting, staff was informed by Langdon Wilson that Ken Lufkin, Project Manager, would be leaving the firm. In subsequent discussions with Ryan Companies, we were informed that Michael Schroeder, Principal in Charge, was retiring from Langdon Wilson. She noted that Mr. Schroeder indicated that he could be available for the shell design stage of the building should Langdon Wilson be chosen for that work. Ms. McClafferty stated that due to the building delivery method being a design build to suit, the developer is responsible for contracting with an architectural firm to develop the design of the building. Ryan held meetings with design firms, Dick & Fritsche Design Group (DFDG), FoRM Design Studio Ltd., Gould Evans, Langdon Wilson, and RNL, regarding architectural services for the shell and interiors. She noted that MAG staff was a part of these meetings and that Ryan will be making a decision on an architectural firm based on these meetings.

Ms. McClafferty added that staff was contacted by Ryan who indicated that in order to move forward in this process, they were requesting a letter of indemnification for an amount not to exceed \$200,000 for pre-development costs, including preliminary architectural and interior design and structural engineering services. She noted that this would allow MAG and the building partners to receive a preliminary design for the building, and allow the project to move forward with the neighborhood association's request for a schematic design.

Ms. de los Rios-Urban discussed the net square footage of the building. She noted that we have the potential of losing GPEC, which equates to 30 people. She reported that staying with the 200,000 gross square feet was recommended. Mr. Smith added that there may be other interest in the GPEC space that was programmed. Myra Millinger, President and CEO of the Maricopa Partnership for Arts and Culture, is potentially interested in space in the building. Mayor Manross asked the reason GPEC was not interested. Ms. McClafferty stated that the President and CEO, Barry Brome, spoke to board members who indicated they were happy in their present location. Chair Hawker asked how this affects the cost of the building. Ms. de los Rios-Urban replied that if the 200,000 square feet range was maintained, the original cost estimate would not change. She added that as the project moves forward the numbers may be refined. Mr. Smith added that the final cost will depend on the interior tenant improvements (TI) that each agency would want to add to their space. Each agency would be responsible for the cost of their TI.

Chair Hawker asked about the neighborhood dynamics. Jay Tubbs from Ryan Companies stated that they are comfortable that they can produce the regional building within the stated range. He noted that the next step was schematic design. Mayor Shafer asked how many stories will be in this building. Mr. Tubbs explained that is still open. He noted that the architects need to narrow down the space and the parking requirements and should know more in approximately 60 days. Mayor Shafer asked how the office building fits in the neighborhood. Mr. Tubbs explained that the height of the office building will be focused on the 1st Avenue side of the parcel. Chair Hawker asked for an update on the latest neighborhood input.

Mr. Smith began updating the members on the status of the neighborhood communications and Andie Abkarian, President of the Roosevelt Action Association (RAA) joined the meeting. Mr. Smith introduced Ms. Abkarian. Ms. Abkarian reported that she talked with several people and reported on the neighborhood concerns. She stated that the parking garage on Second Avenue would need to be shielded in some fashion. She noted that residential and retail on Second Avenue was favorable and that it should be sensitive to the context of single family residential. The parking for this residential component could be loaded from the same garage as the office building. Ms. Abkarian stated that the neighbors would prefer the egress and ingress on 1st Avenue. She noted that a variance with the alley may be supported by the neighbors with no right turns. She noted that it was important to have street level activity. Two final issues were mentioned regarding the building set back on the West side and the sensitivity to reflective materials used on the building.

Mr. Smith stated that this building would be located in the gateway to downtown. He noted that the building needs to fit the neighborhood. We will continue to work with the neighborhood as we move forward with the schematic design. Frank Fairbanks stated that he would like to congratulate MAG for diligently working with the neighborhood. He stated that with continued communications, there will be a solution that fits well with both MAG and the neighborhood. Mr. Fairbanks noted that the neighborhood needs to review material reflecting schematic design.

Mr. Smith stated that the Maricopa Partnership for Arts and Culture (MPAC) is interested in space in the regional office building. He noted that their current lease expires at the end of 2008. Ms. Abkarian stated that the RAA had a reputation of being anti-developer. She assured the Committee that they encourage development and improvement in their neighborhood. She noted that they are excited about having a local agency interested in developing in the neighborhood.

Mayor Manross also congratulated MAG on their outreach to the neighborhood. Mayor Shafer also stated that she appreciates the cooperation and knows that there are challenges when it comes to development in neighborhoods. Mayor Cavanaugh stated that he is not familiar with the area and would like to see how the building would fit. He suggested a tour of the neighborhood.

Mayor Hawker moved to authorize the Executive Director to sign a letter of indemnification with Kaye/Ryan for an amount not to exceed \$200,000 for pre-development costs, including preliminary architectural and interior design and structural engineering service for the Regional Governmental Service Center. Mayor Shafer seconded, and the motion carried unanimously.

4. Request to Authorize the Executive Director to Enter into a Contract for Financial Advisory Services Related to the Regional Office Building Project

Denise McClafferty reported that to continue to move forward with this project, there is a need for professional financial advisory services to begin assessing financing opportunities, as well as individual agency costs. She stated that interviews were conducted by a six member evaluation team on May 31, 2006 and the firms interviewed included: RBC Dain Rauscher and Peacock, Hislop, Staley & Given. Both firms are on the State Procurement contract and both are qualified to do the job. She noted that RBC provided a rate of \$1.05 per \$1,000 of the total project and Peacock, Hislop, Staley and Given provided a rate of \$.85 per \$1,000 of the total project with a cap of \$63,750. Ms. McClafferty stated that staff is recommending entering into a contract with Peacock, Hislop, Staley & Given for financial advisory services related to the regional office building.

Mayor Shafer moved to authorize the Executive Director to enter into a contract with Peacock, Hislop, Staley & Given, Inc. for financial advisory services related to the regional office building project at a cost of \$.85 per \$1,000 of the total project with a minimum fee of \$21,250 and the maximum fee of \$63,750. Mayor Cavanaugh seconded, and the motion carried unanimously.

5. Request to Authorize the Executive Director to Enter into a Contract for Bond Counsel Services Related to the Regional Office Building Project

Ms. McClafferty reported that bond counsel services are needed for the regional office building to verify the tax status of each agency and develop a legal opinion on the valid authorization of debt. She noted that the financial advisor and the bond counsel will work closely together on this project. She stated that interviews for bond counsel were held on May 8, 2006 and a six member evaluation team interviewed two firms: Kutak Rock and Squires, Sanders, Dempsey. Ms. McClafferty stated that Kutak Rock provided a rate between \$150 and \$350 per hour not to exceed \$100,000; and Squire, Sanders Dempsey provided a rate between \$250 and \$550 per hour not to exceed \$100,000. She reported that staff is recommending entering into a contract with Kutak Rock for bond counsel services related to the regional office building project at a rate ranging from \$150 to \$350 per hour, not to exceed \$100,000.

Chair Hawker asked what the \$100,000 will cover. Becky Kimbrough replied that the scope is to stay with the project from the beginning to the end. She noted that bond counsel will look at the legal status of each entity with the financial advisory team. Mr. Fairbanks stated the legal opinion is a form of assurance for issuers and investors that the legal requirements for borrowing funds are met.

Mayor Manross moved to authorize the Executive Director to enter into a contract for Bond Counsel Services related to the regional office building project with Kutak Rock at a rate ranging from \$150 to \$350 per hour, not to exceed \$100,000. Mayor Cavanaugh seconded, and the motion carried unanimously.

6. Potential Collaboration with the Regional Governmental Service Center and ATLAS Center at the University of Arizona

Mr. Smith stated that the ATLAS Center at the University of Arizona has had an ongoing collaboration with MAG, ADOT, MCDOT, City of Tempe, and Arizona State University. He stated that the ATLAS Center contacted MAG suggesting that they would like to enhance these relationships through two avenues: 1) joint projects; and 2) research efforts based on the extensive transportation data sources available at MAG. Mr. Smith stated that ATLAS requested the opportunity to establish a satellite ATLAS Center in the regional office building as a long term plan. This would include space for faculty and students to work, as well as space for computers and workstations for data collection and analysis. He note that there is an opportunity for funding for conducting some of these activities and the USDOT will soon be requesting proposals for new University Transportation Centers (UTCs). He also stated that if ATLAS Center should get a UTC award, the Center would make available to MAG research resources in exchange for the space.

Mr. Fairbanks asked if a city had difficult traffic problems they would provide free consulting on the possible solution. Mr. Smith noted that it could also be a research project. Chair Hawker stated that in exchange for their services we would provide them with free office space in the regional office building. Mr. Smith replied that it could also be seen as a place for future engineers. When they graduate they could take this experience to MAG cities. Chair Hawker asked if there was any contractual obligation. Mr. Smith replied that we could set up a lease arrangement and review it each year. Chair Hawker noted that not all cities would use or need these services. Mayor Manross stated that she is open to considering this, but would need to determine if there are any financial impacts on the building. Chair Hawker requested additional information on how many cities will use this service? How much space will be needed? How this impacts the building both structurally and financially? and How would the lease be set up?

Mayor Cavanaugh moved to authorize consideration of establishing a satellite office for ATLAS Center in the Regional Governmental Service Center subject to additional information being received. ATLAS would provide research resources equivalent to the value of the cost-share contribution for use on projects that are of interest to MAG. Mayor Manross seconded, and the motion carried unanimously.

7. Adjournment of the Building Lease Working Group

Mayor Cavanaugh moved to adjourn the Building Lease Working Group meeting. Frank Fairbanks seconded, and the motion carried unanimously.

8. Approval of the Executive Committee Consent Agenda

Chair Hawker stated that public comment would be heard before action was taken on the consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. Chair Hawker stated that agenda items #8A and #8B were on the consent agenda. Chair Hawker noted there were no public comments.

Mayor Manross moved to approve consent agenda items #8A and #8B. Mayor Shafer seconded, and the motion carried unanimously.

8A. Approval of the May 15, 2006 Executive Committee Meeting Minutes

The Executive Committee, by consent, approved the May 15, 2006 meeting minutes.

8B. Amendment to the FY 2006 MAG Unified Planning Work Program and Annual Budget to Accept FY 2006 Federal Transit Administration and FY 2006 Federal Highway Administration Funds

The Executive Committee, by consent, approved an amendment to the FY 2006 MAG Unified Planning Work Program and Annual Budget for the award of FY 2006 FTA planning funds and FY 2006 FHWA PL funds. Each year, MAG prepares a Unified Planning Work Program and Annual Budget that lists anticipated revenues for the coming year. Recently the Arizona Department of Transportation provided the official amount of FY 2006 Federal Transit Administration funds and FY 2006 Federal Highway Administration Planning (PL) funds. (1) The amount of FTA planning funds is \$1,168,699; (2) The amount of FHWA PL 2006 funds is \$3,952,770. An amendment to the FY 2006 MAG Unified Planning Work Program and Annual Budget is needed to include these funds.

9. Legislative Update

Mr. Smith report on legislative issues of interest to the members. He noted that the Legislature is discussing putting \$300 million dollars back into transportation in this year's budget. He noted that the goal it to deliver the Plan and to not deviate from the Plan. Mayor Shafer asked about the State Shared Revenue. Tom Remes stated that it has been an ongoing discussion and that the budget is moving forward.

Mayor Manross asked about the Summit held by the Arizona Chamber. She asked why this was held now and not a year or two ago. Mr. Smith noted that there is a statewide concern about the gateway routes that will require some attention.

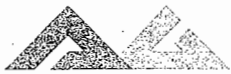
10. Adjournment

Mayor Cavanaugh moved to adjourn the Executive Committee meeting. Mayor Shafer seconded, and the motion carried unanimously.

There being no further business, the meeting was adjourned at 1:20 p.m.

Chair

Secretary



**MARICOPA
ASSOCIATION of
GOVERNMENTS**

Agenda Item #7

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July 7, 2006

TO: Members of the MAG Regional Council Executive Committee

FROM: Dennis Smith, Executive Director

SUBJECT: TRANSPORTATION CONSTRUCTION CHALLENGES AND
POTENTIAL POLICY ISSUES

In March 2006, the Executive Committee met with the leadership of the other Arizona Councils of Governments to discuss growth challenges, including transportation issues. It was agreed upon by the group that a followup meeting would be held in August at the League of Arizona Cities and Towns Annual Conference in Tucson to further discuss how to address these issues. Since the meeting in Casa Grande, the Arizona Chamber of Commerce sponsored a Transportation Acceleration Summit that explored accelerating the highway system on a statewide basis. The Chamber is proposing that action to accelerate highways be proposed for the 2007 legislative session. To consider accelerating transportation needs, several construction challenges and policy issues need to be addressed.

BACKGROUND: The passage of Proposition 400 in November 2004, set into motion a 20-year program for freeways, streets, transit and other multi-modal needs. The freeway program as developed in the Regional Transportation Plan has been accelerated. From 2006 to 2010 the Plan is \$1.072 billion more than 2001 to 2005. From 2006 to 2015 it is approximately \$2.6 billion higher than 1996 to 2005. For the arterial street program Proposition 400 included \$1.6 billion of sales tax and federal funding for arterial streets. Local jurisdictions have committed another \$1.2 billion for these streets, for a total of \$2.8 billion. More than 25 percent of the streets in Proposition 400 have been accelerated with local funds. The great increase in the freeway program and these accelerations have greatly increased the need for the following:

Cement. The U.S. has not produced enough cement to meet national needs since 1993. Arizona as a state is ranked fourth in Portland cement shipments, behind only California, Texas and Florida. On a per capita basis, Arizona uses about 780 tons per person per year which ranks Arizona third, behind Nevada and Wyoming. In Arizona, we produce less than 50 percent of what we consume. This is a shortfall of approximately two million metric tons per year. The extra amount needed is required to be brought in by rail. Arizona Portland Cement has purchased 150 rail cars, but the lack of the Union Pacific railroad being double tracked limits the railroad's capacity to accommodate all of the need. A major problem impeding domestic production is the amount of time needed to receive a permit to expand a cement plant and the availability of State land leases for limestone quarries. The plant in Marana, Arizona has been

processing a permit application since 1998. The permit is expected to be issued late this year, and the expansion is expected to take two years. Even with this expansion in capacity, Arizona will still need to import between 1.5 to 2.0 million metric tons per year to meet minimum anticipated demand levels.

Possible Action:

Work with the business community to encourage expediting the permitting of the expansion of cement plants in Arizona. Work with the railroads to encourage double tracking and assist railroads in siting new rail yards.

Asphalt. Asphalt availability has become a major problem in Arizona. What once was viewed as a bi-product of fuel production and thus an inexpensive paving material, asphalt has increasingly become an important option for road surfacing. As oil prices have risen, refineries have adjusted their plants to extract more fuel product out of each barrel of oil. This change has resulted in less asphalt product and higher prices. Asphalt prices have risen by nearly 50 percent over the last twelve months, and industry forecasts suggest another 20-25 percent increase in the coming year. Yet even with these significant increases in prices, Arizona construction projects will still experience limitation – and possibility shortages – in the supply of asphalt. Asphalt is also shipped primarily by rail into the State, so the limitation of rail capacity impacts the availability of obtaining additional supplies to meet our growing needs.

Possible Action:

Work with the asphalt industry to encourage the railroads to double track rail service into the MAG region.

Railroad Freight Capacity. The MAG region is served by two major railroads: the Union Pacific (UP) and the Burlington Northern Santa Fe (BNSF). The Union Pacific spur is from Tucson and the Burlington Northern is from Northern Arizona. Both of these railroads operate only a single track into this region. For the Union Pacific, this requires rail shipments to be assembled from the mainline at Picacho, Arizona, near Eloy, and move into this region through a secondary mainline that connects Phoenix and the East Valley. Railroad track capacity is limited and rail yards need to be expanded. Both railroads are considering or are implementing increased rail yard capacity to meet the demand of this region.

In part due to the limited freight capacity, both railroads have preference for unit trains. Unit trains are single trains will all freight cars delivered to a single location, often a single firm. The railroads are moving these type of trains on a higher priority schedule and providing increased price incentives. While this business practice may make business sense for the railroads, continuing and increasing this approach may limit freight options for many firms in the metro area – and potential weaken our competitive economic situation.

Possible Action:

To better understand railroad capacity issues, it may be advisable to request ADOT to convene a meeting with the UP and BNSF railroads to better understand the challenges facing the railroad industry in Arizona.

Construction Procurement. At the Challenge of Construction Forum, sponsored by MAG in January 2006, issues affecting the cost of construction were discussed. One of these was the structure of construction contracts. In ADOT construction contracts, escalator clauses are used for some commodities such as asphalt and diesel fuel. With shortages of cement and increasing prices, contractors suggested that escalators also be used for cement. Since the forum, ADOT has had a task force exploring this issue. One item being discussed is not only the need for escalators, but also de-escalators. These procurement issues are also impacting local government construction projects. In Tucson, escalator clauses are being used by Pima County. This could be explored the MAG Specifications and Details Committee.

Possible Action:

Encourage ADOT and the construction industry to implement escalation and de-escalation clauses in construction contracts for such commodities as cement that have volatile prices. Also explore through the MAG process (Specifications and Details Committee), developing model escalation and de-escalation clauses for consideration by MAG member agencies.

Right-of-Way. With the passage of Proposition 400, increased amounts of right-of-way (ROW) will need to be purchased. Some of the ROW needed is in the later phases of the Plan. Current state law requires that after the State Transportation Board adopts a highway corridor and selects an alignment, it has 18 months to adopt a resolution of necessity declaring that acquisition of one or more parcels of real property is necessary for transportation purposes. If ADOT has not presented a written offer to the property owner within six months, the property owner may file an action in Superior Court. Legislation may be needed to provide flexibility to begin acquiring ROW for corridors that are in the later phases of the RTP.

Possible Action:

Work with the Arizona Legislature and ADOT in providing more flexibility for procuring right-of-way.

These are challenges and possible actions that need to be considered to assist in delivering the construction program in the Regional Transportation Plan. To accelerate the Plan or work on statewide transportation issues will also require that these issues be addressed. One potential avenue for addressing some of these needs would be to work cooperatively with the cities and towns throughout Arizona in the League Resolutions process. It is anticipated that many of these issues will be discussed the COG Directors meeting held in conjunction with the League Conference.

If you have any questions, please contact me at the MAG office.



RIVER OF TRADE CORRIDOR COALITION

BILL BLAYDES, CHAIR
Councilmember, City of Dallas, Texas

EDDIE FRANCIS
CO-CHAIR
Mayor
City of Windsor, Ontario

ELIZABETH G. FLORES
CO-CHAIR
Mayor
City of Laredo, Texas

WILL LOWRANCE
CO-CHAIR
Mayor
City of Hillsboro, Texas

MARC MAXWELL
CO-CHAIR
City Manager
City of Sulphur Springs,
Texas

F.G. "BUDDY" VILLINES
CO-CHAIR
County Judge/Chief Executive
Officer
Pulaski County, Arkansas

River of Trade Corridor Coalition

The River of Trade Corridor Coalition was created in the fall of 2004 to unite cities, counties, transportation authorities, freight movement entities, and businesses along the traditional NAFTA trade route to protect, maximize, and expand commerce and the economic vitality of the NAFTA corridor while, at the same time mitigating congestion and facilitating a cleaner environment. Today, the Coalition has expanded to include significant gateways for international trade including Los Angeles, California, Laredo, Texas, Detroit, Michigan, and Windsor, Ontario. Thus, the Coalition encompasses multiple goods movement corridors, including the rail and interstate corridor from the west coast ports of Los Angeles and Long Beach through Phoenix and Tucson, Arizona, Las Cruces, New Mexico, and El Paso and Dallas, Texas. In addition, the Coalition includes many, many members along the historic NAFTA corridor, which follows existing interstates from Laredo, Texas to Detroit, Michigan via Dallas and Texarkana, Texas, Little Rock and North Little Rock, Arkansas, Memphis and Nashville, Tennessee, Louisville, Kentucky, and Cincinnati, Dayton and Toledo, Ohio.

Currently, the River of Trade Corridor Coalition includes over 200 members. The Coalition also enjoys the support of growing Congressional and Legislative Caucuses.

As international trade to and from the U.S. continues to increase significantly, it is important for cities, counties, businesses, states, and international entities to work together to improve and ensure the efficient and safe movement of trade to and through the U.S. This trade provides valuable economic development opportunities to our collective communities.

Vision, Goals & Objectives:

- To protect, expand, and maximize the economic vitality of the above described goods movement and trade corridors.
- To mitigate congestion and facilitate environmental compliance.
- To identify common goals and interests of the municipal governments, transportation authorities and businesses along the corridor and take the appropriate, collective action at the local, regional, state, national, and international levels.
- To mobilize representatives from cities, counties, and organizations along goods movement corridors to speak with one voice about issues impacting the corridor.
- To facilitate a positive and timely exchange of information among members along the corridor.

For further information, please contact:
Jean E. Sides, Dean International, Inc.
8080 Park Lane, Suite 600, Dallas, Texas 75231
Phone: 214.750.0123 Fax: 214.750.0124
E-Mail: jsides@dean.net

- To engage in and to facilitate dialogue with Metropolitan Planning Organizations, Departments of Transportation, appropriate federal agencies involved in goods movement, trade and commerce, and security issues, and other appropriate entities along the corridor to identify and collectively secure any available funding to enhance the corridor.
- To further develop the River of Trade Corridor Congressional and Legislative Caucuses, which are in place to provide support for the Coalition's goals and objectives at the federal and state levels.
- To facilitate the efficient movement of freight to and from land ports and seaports. As the volume of imported and exported goods continues to grow, it becomes even more important to efficiently and quickly move freight to inland distribution destinations.
- To coordinate the just-in-time delivery of containers from inland locations traveling outbound, and vice versa.
- To insist that the existing congestion, safety, and pollution issues along the corridor be addressed and provide appropriate avenues, such as collaboration with the Environmental Protection Agency regarding "green and clean" technologies, to address these issues.

July 7, 2006

TO: Members of the MAG Information Center Board of Directors

FROM: Mayor James M. Cavanaugh, City of Goodyear, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA FOR THE MAG
INFORMATION CENTER BOARD OF DIRECTORS

Monday, July 17, 2006 12:30 p.m.
MAG Office, Suite 200 - Cholla Room
302 North 1st Avenue, Phoenix

A meeting of the MAG Information Center Board of Directors has been scheduled for the time and place noted above. Members of the Board may attend either in person, by telephone conference, or by video conference. If you have any questions, please contact me at (623) 882-7782 or Dennis Smith, MAG Executive Director, at (602) 254-6300.

Please park in the garage under the Compass Bank Building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Denise McClafferty at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

TENTATIVE AGENDA

COMMITTEE ACTION REQUESTED

1. Call to Order

2. Call to the Audience

An opportunity will be provided to members of the public to address the MAG Information Center Board of Directors on items not scheduled on the agenda that fall under the

2. Information and discussion.

jurisdiction of MAG, or on items on the agenda for discussion but not for action. Members of the public will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Board of Directors requests an exception to this limit. Please note that those wishing to comment on action agenda items will be given an opportunity at the time the item is heard.

3. Approval of the June 12, 2006 MAGIC Board Meeting Minutes

4. Adjournment

3. Review and approve the June 12, 2006 MAGIC Board meeting minutes.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
INFORMATION CENTER BOARD OF DIRECTORS

June 12, 2006

MAG Offices

302 North 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair

Mayor Mary Manross, Scottsdale, Treasurer

*Mayor Phil Gordon, Phoenix

Mayor Joan Shafer, Surprise

Mayor James M. Cavanaugh, Goodyear

* Not present

Participated by videoconference or telephone conference call

1. Call to Order

The MAGIC Board of Directors meeting was called to order by Chairman Keno Hawker at 1:20 p.m.

2. Call to the Audience

Chair Hawker noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. He stated that there is a three minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair Hawker stated that there were no public comment cards received.

3. Amendment to the FY 2006 and 2007 MAG Unified Planning Work Programs and Annual Budgets to Accept an Additional \$80,000 in FY 2006 from Central Arizona Project (CAP) and Potential Funding from Arizona Department of Water Resources (ADWR) of up to \$45,000 in FY 2007

Rita Walton provided an update on the status of MAGIC. She noted that the purpose of MAGIC is to utilize data and information through MAG to make MAG's specialized information and services more available to member agencies, private sector businesses and individuals and other public sector agencies, and to provide additional fee-earning activities outside its work program commitments through customized formatting, data collection and technical analysis. She reported that the Central Arizona Project (CAP) provided \$180,000 last year. This year, CAP would like to contract with MAGIC for an additional \$80,000 in funding to provide Geographic Information Systems (GIS) services and customized population projections for geography specified by CAP. She also noted that in 1990 to 2000, Arizona Department of Water Resources contracted with MAG for population estimates for water service areas. Ms. Walton stated that ADWR has now asked MAGIC to provide population estimates by water service areas for 2000 to 2005. The potential funding for this project from ADWR is \$45,000 in FY 2007.

Mayor Cavanaugh moved to approve an amendment to the FY 2006 and 2007 MAG Unified Planning Work Programs and Annual Budgets to include the acceptance of an additional \$80,000 in FY 2006 from Central Arizona Project (CAP) and potential funding from Arizona Department of Water Resources (ADWR) of up to \$45,000 in FY 2007. Mayor Shafer seconded, and the motion carried unanimously.

4. Adjournment

Mayor Cavanaugh moved to adjourn the MAG Board of Director's meeting. Mayor Shafer seconded, and the motion carried unanimously.

There being no further business, the meeting was adjourned at 1:26 p.m.

Chair

Secretary